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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

CHRISTOPHER C. SHOFFNER,

Debtor.

CASE NO. 17-23194 JAD

CHAPTER 11

**DISCLOSURE STATEMENT TO ACCOMPANY PLAN
OF REORGANIZATION DATED SEPTEMBER 6, 2019**

Section 1 - Executive Summary of Plan

Reasons for Chapter 11

Debtor is self-employed gas well installation supervisor. He is currently contracted to Newtech Engineering Energy, Inc. Due a drop in natural gas prices in 2016, his services were terminated. He was unemployed for approximately seven months. The unemployment period caused him to become delinquent on his secured debt payments and federal and state income tax payments which led to his bankruptcy filing.

Plan Summary

All secured creditors will retain their respective liens until paid in full. It is a 100% payment plan to all classes with the exception of Class 12 which will paid 35% on the Plan Distribution Date or 100% over 84 months. Payments begin on the 30th day after the entry of an order approving the plan provided appeals are filed. The following is a summary of the classification of claims and the treatment of these claims under the Plan.

CLASS 1. The Class 1 claim of **First Guaranty Mortgage Corporation ("FGMC")** shall be paid according to the FGMC loan agreement with the exception that any default on confirmation of the Plan shall be cured not later than plan month 24 from the sale of the Residence.

CLASS 2. **CNH Industrial Capital America LLC** shall be paid 100% of its claim with interest at 3.5% in 72 consecutive monthly payments of commencing on the Plan Effective Date.

CLASS 3. **Wells Fargo Bank, NA d/b/a Wells Fargo Bank Dealer Services ("WFDS")** shall be paid 100% of its claim with interest at 3.99% in 72 consecutive monthly payments of commencing on the Plan Effective Date.

CLASS 4. **Branch Banking and Trust Company** shall be paid 100% of its claim with interest at 3.99% in 72 consecutive monthly payments of commencing on the Plan Effective Date.

CLASS 5. **Community Bank** shall be paid 100% of its claim with interest at 4.45% in 72 consecutive monthly payments of commencing on the Plan Effective Date.

CLASS 6. Marine One Acceptance Corporation shall be paid 100% of its claim with interest at 5.00% within 60 days after the Plan Effective Date from the sale of Debtor's 2016 Lakota horse trailer.

CLASS 7. The Internal Revenue Service shall be paid 100% of its secured claim with interest of 6% per annum in 72 equal consecutive monthly payments commencing on the Plan Effective Date.

CLASS 8. Administrative Claims: All claims for administrative expenses shall be paid by the Plan Effective.

CLASS 9. The Internal Revenue Service shall be paid 100% of its priority claim with interest in 72 equal consecutive monthly payments commencing on the Plan Effective Date.

CLASS 10. The Pennsylvania Department of Revenue shall be paid 100% of its priority claim with interest at 6% in 60 equal consecutive monthly payments commencing on the Plan Effective Date.

CLASS 11. Whitley Township and Green School District shall be paid 100% of their respective priority claims with interest at 4% per annum in 60 equal consecutive monthly payments commencing on the Plan Effective Date.

CLASS 12. Holders of Class 12 general unsecured claims shall be paid 30% on the Plan Distribution Date in full satisfaction of such claim provided Debtor has adequate resources on such date to complete payment. If not Class 12 claim holders will be paid 100% without interest in 28 quarterly payments commencing 90 days after the Plan Confirmation. The first 24 quarterly payments shall be 2% of such claims. The final 4 quarterly payment shall be 13% of such claims.

CLASS 13. Debtor shall retain his equity security interests in his property.

Section 2 - Definitions

The following terms, when used in this Plan of Reorganization, will, unless the context otherwise indicates, have the following meanings, respectively:

- 2.01 **"Administrative Expense Claim"** means any right to payment constituting a cost or expense of administration of the Chapter 11 case allowed under Section 503(b) and 507(a)(1) of the Code.
- 2.02 **"Allowed Claim"** means a claim to the extent such claim is either (a) scheduled by the Debtor on its Schedules D, E, or F, not listed as contingent, unliquidated or disputed or (b) as otherwise been allowed by a final order or pursuant to the Plan.
- 2.03 **"Bankruptcy Court"** means the United States Bankruptcy Court for the Western District of PA.
- 2.04 **"Code"** means Title 11 of the United States Code, 11 U.S.C §101, et seq. as amended.
- 2.05 **"Claim"** has the meaning set forth in Section 101 of the Bankruptcy Code.

- 2.06 **"Class"** shall have the mean the category of holders of claims or equity interests in such category as provided by 11 U.S.C. Sec. 1122 of the Code, each such Class being more fully defined in the Plan.
- 2.07 **"Debtor"** means Christopher C. Shoffner.
- 2.08 **"Debtor's Assets** or **"Debtor's Property"** means all assets of the Debtor including both real and personal.
- 2.09 **"Disclosure Statement"** means the Disclosure Statement related to the Plan and approved by the Court.
- 2.10 **"Disputed"** means that portion or all of a claim that is not an allowed claim.
- 2.11 **"Exempt Property"** means the Debtor's Assets which were exempted.
- 2.12 **"Final Court Approval"** means when all appeals relating to an Order entered by the Court are finally resolved.
- 2.13 **"General Unsecured Claim"** means a claim that it not an Administrative, Priority, or Secured Claim.
- 2.14 **"Lien"** has the meaning set forth in Section 101 of the Bankruptcy Code.
- 2.15 **"Personal Property"** shall mean Debtor's personal property listed on his Schedule B.
- 2.16 **"Plan"** means this Plan of Reorganization filed on September 6, 2019 and any modifications and amendments thereto.
- 2.17 **"Plan Confirmation Date"** means the date the order confirming the Plan becomes final and non-appealable.
- 2.18 **"PCD"** means the Plan Confirmation Date.
- 2.19 **"Plan Distribution Date"** means the 90th day after the Plan Confirmation Date.
- 2.20 **"Plan Effective Date"** or **"PED"** means the 15th day after the Plan Confirmation Date.
- 2.21 **"Plan Confirmation"** means the day an order is entered confirming the Plan unless an appeal is filed. In that event the Plan Confirmation shall mean the Plan Confirmation Date.
- 2.22 **"Priority Claim"** means non-administrative priority claims under section 507(a) of the Code.
- 2.23 **"Secured Claim"** means any claim that is secured by a valid lien on the Debtor's property.
- 2.24 **"Residence"** means Debtor's residence at 1969 Mount Morris Rd. Waynesburg, PA 15370.

Section 3 - Disclosures

Debtor Christopher C. Shoffner furnishes this disclosure statement to creditors in the above-captioned matter pursuant to Bankruptcy Code 11 U.S.C. §1125 to assist them in evaluating Debtors' proposed Chapter 11 plan. Creditors may vote for or against the plan of reorganization. Creditors who wish to vote must complete their ballots and return them to the following address before the deadline noted in the order approving the disclosure statement and fixing the time for balloting. The Court will schedule a hearing on the Plan pursuant to 11 U.S.C. §1129.

Address for return of ballots:

**Gary W. Short, Esquire
212 Windgap Road
Pittsburgh, Pa 15237**

Section 4 - Background

- A. Name of Debtors: Christopher C. Shoffner
- B. Type of Debtor: individual.
- C. Debtor's Business or Employment: Debtor works a contractor for Newtech Engineering Energy, Inc.
- D. Debtor's Petition Date: August 8, 2017. The case was converted to a Chapter 11 on January 9, 2019.
- E. Events that Caused the Filing: Debtor is self-employed gas well installation supervisor. He is currently contracted to Newtech Engineering Energy, Inc. Due a drop in natural gas prices in 2016, his services were terminated. He was unemployed for approximately seven months. The unemployment period caused him to become delinquent on his secured debt payments and federal and state income tax deposits which led to his bankruptcy filing.
- F. Anticipated Future of the Debtor and Source of this Information and Opinion: Debtor will continue work for Newtech Engineering Energy, Inc.. Source of opinion: Debtor.
- G. Are All Monthly Operating Statements Current and on File With The Court? No X
- H. Does the plan provide for release of non-debtor parties? No.
- I. Identify all executory contracts that are to be assumed and/or assigned. None.
- J. Has a bar date been set? Yes.
- L. Specify property that will be transferred subject to 11 U.S.C. §1146: None.

Section 5 - Plan Treatment Summary

Summary of Significant Plan Terms as to How Each Class of Creditors or Interests Will Be Paid and What Liens Will Be Retained or Granted

A. The Plan creates the following classification of claims and interests:

- Class 1 - First Guaranty Mortgage Corporation secured claim [Un-impaired].
- Class 2 - CNH Industrial Capital America LLC secured claim [Impaired]
- Class 3 - Wells Fargo Bank, NA d/b/a WFBDS secured claim [Impaired].
- Class 4 - Branch Banking and Trust Company secured claim [Impaired].
- Class 5 - Community Bank secured claim [Impaired].
- Class 6 - Marine One Acceptance Corporation secured claim [Impaired].
- Class 7 - Internal Revenue Service secured claim [Impaired].
- Class 8 - Administrative claims (Un-impaired)
- Class 9 - Internal Revenue Service priority claim [Impaired].
- Class 10 - Penna. Dept. of Revenue priority claim [Impaired].
- Class 11 - Whitley Twp. and Green School District priority claim (Impaired).
- Class 12 - Non-priority unsecured claims. [Impaired]
- Class 13 - Equity security interests. [Unimpaired]

B. The Plan provides the following treatment of unimpaired claims and interests:

All claims against or interests in the Debtor are impaired under the Plan with the exception of the Classes 1, 8 and 13.

CLASS 1- The Class 1 claim of **First Guaranty Mortgage Corporation ("FGMC")** shall be paid as follows: (a) all terms of the FGMC loan agreement ("FGMC Agreement") shall remain in full force and effect with the exception that Debtor shall pursuant to 11 U.S.C. Sec. 1124 cure any loan default which exists as of Plan Confirmation by not later than plan month 24 from the sale of the Residence; and (b) FGMC shall retain the lien which secures its Class 1 claim and be paid the regular monthly mortgage payment due under the FGMC Agreement beginning on the first monthly payment due date after the entry of an order confirming the Plan in accordance the terms of the FGMC Agreement.

Class 8 Administrative Claims: All claims for administrative expenses by Debtor's counsel, **Gary W. Short**, Debtor's chapter 13 counsel, **Scott Lowden**, the **Office of the United States Trustee**, the **Clerk's Office of the Bankruptcy Court**, and other claimants whose claims are allowed under section 503 of the Code and entitled to priority under §507(a) of the Code are not classified under the Plan and shall be paid by the Plan Effective Date unless such claimant agrees in writing to a deferred payment term.

CLASS 13 - Debtor shall retain his equity security interests in his property.

C. The Plan provides the following treatment of impaired claims:

CLASS 2 - CNH Industrial Capital America LLC shall retain the lien which secures its Class 2 claim as of the Plan Confirmation Date and be paid 100% of such claim with interest at 3.5% in 72 consecutive monthly payments of commencing on the Plan Effective Date.

CLASS 3 - Wells Fargo Bank, NA d/b/a Wells Fargo Bank Dealer Services ("WFDS") shall retain the lien which secures its Class 3 claim and be paid 100% of such claim as of the as of the Plan Confirmation Date with interest at 3.99% in 72 consecutive monthly payments of commencing on the Plan Effective Date. Debtor intends to sell the WFDS collateral within sixty days after the Plan Confirmation Date and pay the Class 3 claim in full.

CLASS 4 - Branch Banking and Trust Company ("BB&T") shall retain the lien which secures its Class 4 claim and be paid 100% of such claim as of the Plan Confirmation Date with interest at 3.99% in 72 consecutive monthly payments of commencing on the Plan Effective Date.

CLASS 5 - Community Bank shall retain the lien which secures its Class 5 claim and be paid 100% of such claim as of the Plan Confirmation Date with interest at 4.45% in 72 consecutive monthly payments of commencing on the Plan Effective Date.

CLASS 6 - Marine One Acceptance Corporation shall retain the lien which secures its Class 6 claim and be paid 100% of such claim within 60 days after the Plan Effective Date with interest at 5.0% from the sale of its collateral, a 2016 Lakota horse trailer.

CLASS 7 - The Internal Revenue Service shall retain the lien which secures its Class 6 claim and be paid a 100% with interest of 6% per annum in 72 equal consecutive monthly payments commencing on the Plan Effective Date; provided, however, the net proceeds from the sale of the 2016 Lakota horse trailer after the payment of secured claim of Marine One Acceptance Corporation shall be paid to the IRS. The balance of the IRS's Class 7 claim shall be paid in full from the sale of the Residence which shall occur within 24 months after the Plan Effective Date.

CLASS 9 - The Internal Revenue Service shall be paid 100% of its Class 9 priority claim with interest at the IRS interest rate applicable to Chapter 11 plans and in effect on the date the plan is confirmed in 72 equal consecutive monthly payments commencing on the Plan Effective Date.

CLASS 10 - The Pennsylvania Department of Revenue shall be paid 100% of its Class 10 priority claim with interest at 5% per annum in 60 equal consecutive monthly payments commencing on the Plan Effective Date.

CLASS 11 - Whitley Township and Green School District shall be paid 100% of their respective Class 11 claims with interest at 4% per annum in 60 equal consecutive monthly payments commencing on the Plan Effective Date.

CLASS 12 - Holders of Class 12 general unsecured claims shall be paid 35% of such claim on the Plan Distribution Date in full satisfaction of such claim provided Debtor has adequate resources on such date to complete payment. If not, Class 12 claim holders will be paid 100% without interest in 28 quarterly payments commencing 90 days after the Plan Confirmation. The first 24 quarterly payments shall be in the amount of 2% of such claims. The final 4 quarterly payment shall be in the amount 13% of such claims.

Section 6 - Creditors

A. Secured Claims

Creditor (Class)	Collateral	Claim	Arrearage	D* L U	Lien Retaine d Yes No
First Guaranty Mort. Corp. (1)	Residence	325,000	70,000	L	Yes
CNH Ind. Capital of America (2)	2016 New Holland Tractor	23,000	UKN	L	Yes
Wells Fargo Dealer Services (3)	2015 Ford 250	21,188	UKN	L	Yes
BB&T Bank (4)	2015 Ford 350	25,864	UKN	L	Yes
Community Bank (5)	2007 Ford Explorer	7,696	UKN	L	Yes
Marine One Acceptance (6)	2016 Lakota Horse Trailer	40,528	UKN	L	Yes
Internal Revenue Service (7)	All Property	415,492	415,492	L	Yes
Total		858,768			

* "D" means disputed, "L" means liquidated, "U" means unliquidated, and "UKN" means unknown.

B. Priority Claims

Creditor	Total Amount	Basis of Claim	Status
Gary W. Short	30,000	Professional fees (est.)	Liquidated
Scott Lowden	5,357	Professional fees	Liquidate
Office of the U. S. Trustee	625	Statutory fees (est.)	Liquidated
IRS	415,492	Income tax	Liquidated
PA Department of Revenue	31,231	Income tax	Liquidated
Whitley Twp / Green School District	6,172	Income tax	Liquidated
	488,877		

C. Unsecured Claims

1.	Amount Debtor Scheduled (Disputed and Undisputed)	12,877
2.	Amount of Unscheduled Unsecured Claims*	85,552
3.	Total Claims Scheduled or Filed	98,449
4.	Amount Debtor Disputes (or corrected by proofs of claim)	0
5.	Estimated Allowable Unsecured Claims	<u>98,449</u>

*Includes a.) unsecured claims filed by unscheduled creditors; b.) that portion of any unsecured claims filed by a scheduled creditor that exceeds the amount debtor scheduled; c.) any unsecured portion of any secured debt not previously scheduled; and d.) that portion of any secured claims filed or scheduled which the value of such claimant's collateral.

Section 7 - Assets (values as of July 1, 2019)

Assets	Value	Value Basis	Lien Holder, Claim, Lien Position	Equity
Bank deposits	24,882	A	None.	24,882
Residence	400,000	D	FGMC (1) (\$325,000) IRS (2) (\$31,385)	43,615
2015 Ford 350	20,000	D	BB&T (1) (\$25,864) (\$31,385)	0
2016 New Holland Tractor	40,000	D	CNH Capital (1) (\$23,000) (2) IRS	0
2007 Ford Explorer	6,000	D	Community Bank (1) (\$7,697)	0
2016 Lakota Horse Trailer	68,000	D	Marine 1 Accept. (1) (\$40,528) (2) IRS	27,422
2015 Ford 250	20,000	D	Wells Fargo Deal. Ser. (1) (\$21,188)	0
Household furnishing	7,500	D	IRS (1) (\$31,385)	7,500
Electronics	5,000	D	IRS (1) (\$31,385)	5,000
Firearms	10,000	D	IRS (1) (\$31,385)	10,000
Clothing	1,000	D	IRS (1) (\$31,385)	1,000
Jewelry	5,500	D	IRS (1) (\$31,385)	5,500
Farm animals	37,720	D	IRS (1) (\$31,385)	37,720
Farm equipment	6,500	D	IRS (1) (\$31,385)	6,500
Subtotal				131,254
Less Exemptions				(39,025)
				92,229

* "A" means actual. "D" means Debtor's opinions.

- A. Are any assets which appear on Schedule A or B of the petition not listed above? Yes. Debtor's 2016 Ford F-250 was totaled in an accident. TD Auto Finance LLC was paid in full from the insurance proceeds.
- B. Are any assets listed above claimed as exempt? Yes. See Exhibit "A" (exemption list).

Section 8 - Summary of Plan

- A. **Distribution Date of Plan:** as to First Guaranty Mortgage Corporation, the contract monthly due date. As to all other classes, on the Plan Effective Date or the Plan Distribution Date.
- B. **Treatment of Claims Under the Plan:**

1. Secured Claims (all liens retained)

Creditor	CL	Claim	Summary of Proposed Treatment
First Guaranty Mortgage Corp.	1	325,000	First Guaranty Mortgage Corporation ("FGMC") All terms of the FGMC loan agreement shall remain in full force and effect with the exception that Debtor shall pursuant to 11 U.S.C. Sec. 1124 cure any loan default which exists as of Plan Confirmation by not later than plan month 24 from the sale of the Residence.
CNH Ind. Capital	2	23,000	CNH Industrial Capital America LLC shall be paid 100% with interest at 3.5% in 72 monthly payments of commencing on the Plan Effective Date.
Wells Fargo Dealer Services	3	21,188	WFDS shall be paid 100% with interest at 3.99% in 72 monthly payments of commencing on the Plan Effective Date.
BB&T	4	25,864	BB&T shall be paid 100% with interest at 3.99% in 72 monthly payments of commencing on the Plan Effective Date.
Community Bank	5	7,696	Community Bank shall be paid 100% with interest at 4.45% in 72 monthly payments of commencing on the Plan Effective Date.
Marine One Acceptance	6	40,528	Marine One Acceptance Corporation shall be paid 100% within 60 days after the Plan Effective Date with interest at 5.0% from the sale of its collateral, a 2016 Lakota horse trailer.
Internal Revenue Service	7	31,385	The IRS will paid a 100% in 72 equal monthly payments commencing on the Plan Effective Date; provided, however, the net proceeds from the sale of the 2016 Lakota horse trailer after the payment of secured claim of Marine One Acceptance Corporation shall be paid to the IRS. The balance of the IRS's Class 7 claim shall be paid in full from the sale of the Residence which shall occur within 24 months after the Plan Effective Date.
		474,661	

2. Priority Claims

Name of Creditor *	Amount Owed	Type of Debt	Summary of Proposed Treatment
Gary Short	30,000	Legal fees	100% by Plan Effective Date
Scott Lowden	5,357	Legal Fees	100% by Plan Effective Date
UST Fees	625	Statutory fees	100% by Plan Effective Date.
IRS	415,492	Income taxes	100% with interest in 72 monthly payments starting on the Plan Effective Date.
PA Revenue	31,231	Income taxes	100% with interest in 60 monthly payments starting on the Plan Effective Date.
Whitley Twp./Green S.D.	6,172	Income taxes	100% with interest in 60 monthly payments starting on the Plan Effective Date.
TOTAL	488,877		

3. Non-Priority Unsecured Claims

Name	Claim	Claim Source	Distribution	Percentage Distribution
Internal Revenue Service	77,321.14	PC	See F below	35% or 100%
Amex	3,741.00	PC	See F below	35% or 100%
Portfolio Recov. / Capital One Bank	2,356.00	PC	See F below	35% or 100%
Mariner Finance	3,057.00	S	See F below	35% or 100%
Merrick Bank	2,358.00	PC	See F below	35% or 100%
Portfolio Recov. / Tractor Supply	1,385.00	PC	See F below	35% or 100%
Verizon	239.23	PC	See F below	35% or 100%
Penna. Dept. Revenue	7,711.54	PC	See F below	35% or 100%
LVNV Funding / Arrow Financial	279.45	PC	See F below	35% or 100%
Total	98,448.36			

- F. **Will periodic payments be made to unsecured creditors?** Yes. Holders of Class 12 unsecured claims will be paid 35% of such claim on the Plan Distribution Date in full satisfaction of such claim provided Debtor has adequate resources on such date to complete payment. If not Class 12 claimants will be paid 100% without interest in 28 quarterly payments commencing 90 days after the Plan Confirmation. The first 24 quarterly payments shall be in the amount of 2% of such claims. The final 4 quarterly payment shall be in the amount 13% of such claims.
- G. **State source of funds for plan payments:** Current bank deposits, future earnings, sale of Residence, sale of a 2016 Lakota horse trailer, and sale of a 2015 Ford 250.
- H. **Other significant features of the plan:** Debtor will end his horse raising and sale business by December, 31, 2019. This business operated at a loss and was a drain on Debtor's pre-bankruptcy and post-bankruptcy resources.

Section 9 - Comparison of Plan with Chapter 7 Liquidation

If Debtor's proposed plan is not confirmed, the potential alternatives would include a proposal of a different plan, if the Court so permitted, a dismissal of the case, or conversion of the case to Chapter 7. If this case is converted to Chapter 7, a trustee will be appointed to liquidate the debtor's non-exempt assets. In this event, all secured claims and priority claims, including all expenses of administration, must be paid in full before any distribution is made to unsecured claimants. Attached as **Exhibit "B"** is a Chapter 7 Liquidation Analysis which shows how Debtor's property would be distributed in a chapter 7.

Will the creditors fare better under the Plan than they would in a Chapter 7 liquidation. Yes. Under the Plan Class 12 creditors will be paid 100% in 84 quarterly payments. **In a chapter 7 Class 12 unsecured claimants would not receive any distribution.**

Section 10 - Feasibility

- A. Attached as Exhibit "C" is a monthly plan cash flow projection.
- B. Attached as Exhibit "D" is a summary of Debtor's monthly operating reports from February, 2019 to May, 2019.
- C. Attached as Exhibit "E" are selected pages from Debtor's 2017 federal tax return.
- E. Attached as Exhibit "F" is a page from Debtor's checking account statement for June, 2019.
- F. Amounts to be paid on the Plan Effective Date is \$44,593.42. The basis of this estimate is:

4,006.34	Secured Claims
32,982.00	Administrative Class
<u>7,605.08</u>	Priority tax claims
<u>44,593.42</u>	TOTAL

- G. **What assumptions are made to justify the increase in cash available for the plan?**
1. Debtor will retain his contractor relationship with Newtech Engineering Energy, Inc.
 2. Debtor's gross annual income will be approximately \$284,000 per year.
- H. **Will funds be available to pay administrative expenses in full on the plan effective date?**
Yes. From what source? Cash.
- K. **Current Cash on Hand:** \$24,882 (*see Exhibit "F"*) *plus \$22,000 held by Counsel in escrow.*
- Estimated Cash on date of Plan Confirmation Date: \$55,000.
Estimated cash on Plan Effective Date: \$44,594.

Section 11 - Management Salaries

Position/Name of Person Holding Position	Salary at Time of Filing	Proposed Salary (Post-Confirmation)
Christopher. Shoffner	284, 000 est. (2018)	\$284,000

Section 12 - Identify Effect on Plan Payments

- A. **What, if any, Litigation is Pending?** None.
- B. **What, if any, Litigation is Proposed or Contemplated?** Possible actions under 11 U.S.C. Sec. 506 to determine allowed secured claims against personalty of holders of claims in Classes 2, 3, 4, 5, and 6.

Section 13 - Certification

I, Christopher C. Shoffner, certify that the information herein is true and correct to the best of my knowledge and belief formed after reasonable inquiry. Signature of counsel is required by the Court and is not a certification of the factual accuracy this document.

/s/ Christopher C. Shoffner

/s/ Gary W. Short

Gary W. Short, Esquire (PA Bar. No. 36794)
212 Windgap Road, Pittsburgh, PA 15237
Tele. (412) 765-0100 / Fax (412) 536-3977
E-mail garyshortlegal@gmail.com

Fill in this information to identify your case:

Debtor 1	Christopher Chad Shoffner		
	First Name	Middle Name	Last Name
Debtor 2 (Spouse if filing)			
	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	WESTERN DISTRICT OF PENNSYLVANIA		
Case number (if known)			

☐ Check if this is an amended filing

Official Form 106C

Schedule C: The Property You Claim as Exempt

4/16

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information. Using the property you listed on Schedule A/B: Property (Official Form 106A/B) as your source, list the property that you claim as exempt. If more space is needed, fill out and attach to this page as many copies of Part 2: Additional Page as necessary. On the top of any additional pages, write your name and case number (if known).

For each item of property you claim as exempt, you must specify the amount of the exemption you claim. One way of doing so is to state a specific dollar amount as exempt. Alternatively, you may claim the full fair market value of the property being exempted up to the amount of any applicable statutory limit. Some exemptions—such as those for health aids, rights to receive certain benefits, and tax-exempt retirement funds—may be unlimited in dollar amount. However, if you claim an exemption of 100% of fair market value under a law that limits the exemption to a particular dollar amount and the value of the property is determined to exceed that amount, your exemption would be limited to the applicable statutory amount.

Part 1: Identify the Property You Claim as Exempt

1. Which set of exemptions are you claiming? Check one only, even if your spouse is filing with you.

☐ You are claiming state and federal nonbankruptcy exemptions. 11 U.S.C. § 522(b)(3)

☒ You are claiming federal exemptions. 11 U.S.C. § 522(b)(2)

2. For any property you list on Schedule A/B that you claim as exempt, fill in the information below.

Brief description of the property and line on Schedule A/B that lists this property	Current value of the portion you own Copy the value from Schedule A/B	Amount of the exemption you claim Check only one box for each exemption	Specific laws that allow exemption
1969 Mount Morris Road Waynesburg, PA 15370 Greene County property aquired by deed date 2014. value determined by 2014 appraisal at time of purchase. Line from Schedule A/B: 1.1	\$390,000.00	<input checked="" type="checkbox"/> \$23,675.00 <input type="checkbox"/> 100% of fair market value, up to any applicable statutory limit	11 U.S.C. § 522(d)(1)
normal household items summary available upon request Line from Schedule A/B: 6.1	\$7,500.00	<input checked="" type="checkbox"/> \$7,500.00 <input type="checkbox"/> 100% of fair market value, up to any applicable statutory limit	11 U.S.C. § 522(d)(3)
electronics Line from Schedule A/B: 7.1	\$5,000.00	<input checked="" type="checkbox"/> \$5,000.00 <input type="checkbox"/> 100% of fair market value, up to any applicable statutory limit	11 U.S.C. § 522(d)(3)
firearms Line from Schedule A/B: 10.1	\$10,000.00	<input checked="" type="checkbox"/> \$1,250.00 <input type="checkbox"/> 100% of fair market value, up to any applicable statutory limit	11 U.S.C. § 522(d)(5)
jewelry Line from Schedule A/B: 12.1	\$5,600.00	<input checked="" type="checkbox"/> \$1,600.00 <input type="checkbox"/> 100% of fair market value, up to any applicable statutory limit	11 U.S.C. § 522(d)(4)

3. Are you claiming a homestead exemption of more than \$160,375?
(Subject to adjustment on 4/01/19 and every 3 years after that for cases filed on or after the date of adjustment.)

☒ No

☐ Yes. Did you acquire the property covered by the exemption within 1,215 days before you filed this case?

☐ No

☐ Yes

Exhibit "A"

Exhibit "B"

Chapter 7 Liquidation Analysis

1	Residence	400,000
2	Chapter 7 Sale Expenses	
3	Broker fee (6%) and Transfer tax (1%)	24,000
4	Trustee Ch. 7 legal fees (\$4,500) and sale expenses (\$500)	<u>5,000</u>
5	Total expenses	<u>29,000</u>
6	Net from real estate sale	371,000
7	Less secured claims (FMGC \$325,000; IRS \$31,385)	<u>356,385</u>
8	Net from sale of real estate	<u>14,615</u>
9	Sale of Personal Property	227,200
10	10% Broker fee for sale of personal property	22,700
11	Trustee Ch. 7 legal fees (\$5,000) and sale expenses (\$1,000)	<u>6,000</u>
12	Net from sale of personal property	<u>198,500</u>
13	Total net sale proceeds from real estate and personalty (lines 8 + 12)	213,115
14	Plus non-exempt cash (estimated)	<u>36,885</u>
15	Funds available non-secured claims (add lines 8, 12, and 13)	250,000
16	Less Debtor's exemption	-39,000
17	Less Trustee Ch. 7 statutory trustee fees (see endnote 1)	-32,659
18	Less Priority Claims	<u>-485,877</u>
19	Funds Available for Unsecured Claims	<u>0</u>
20	Percentage Distribution for Class 12 unsecured claims	<u>0</u>

End note 1

Trustee Fee on \$5,000 (25%)	1,250
Trustee Fee on \$45,000 (10%)	4,500
Trustee Fee on \$588,175 - \$50,000 = \$538,175 x 5%	26,909
Total Trustee Fee	<u>32,659</u>

Exhibit "B"

Plan Payment Table shoffner 5

PLAN MONTHLY CASH FLOW PROJECTION

C L A S S	Creditor	Debt	Int. Rate	T E R M	Months	Months	Month	Months	Months	Months
					1-2	3-24	25	26-60	61-72	73-84
					(2)	(22)	1	(36)	(12)	(12)
	<u>Classified Claims</u>									
1	First Guar. Mort. Co. (PC)	300,693	4.75	CT	2,266.28	2,266.28	2,266.28	0.00	0.00	0.00
1	First Guar. Mort. Co. (PC)	70,152	0	24	0.00	0.00	71,152.00	0.00	0.00	0.00
2	CNH Ind. Cap. America (PC)	23,000	3.5	72	354.62	354.62	354.72	354.62	354.62	0.00
3	Wells Fargo Bank (sell) (PC)	21,188	3.99	72	331.39	0.00	0.00	0.00	0.00	0.00
4	BB&T (PC)	25,864	4.45	72	409.97	409.97	409.97	409.97	409.97	0.00
5	Community Bank (PC)	7,696	5.0	72	123.94	123.94	123.94	123.94	123.94	0.00
6	Marinel Acceptance (PC)	40,528	5.0	2	0.00	0.00	0.00	0.00	0.00	0.00
7	IRS (secured) (PC)	31,385	6.0	24	520.14	520.14	0.00	0.00	0.00	0.00
8	Gary Short (estimate)	30,000	0	1	0.00	0.00	0.00	0.00	0.00	0.00
8	Scott Lowden (ORDER)	5,357	0	1	0.00	0.00	0.00	0.00	0.00	0.00
8	USTE (estimate)	625	0	1	0.00	0.00	0.00	0.00	0.00	0.00
9	IRS (priority) (PC)	415,492	6.0*	72	6,885.90	6,885.90	6,885.90	6,885.90	6,885.90	0.00
10	PA Revenue (priority) (PC)	31,231	6.0	60	605.52	605.52	605.52	605.52	0.00	0.00
11	Whitley Twp/ Green SD (PC)	6,172	4.0	60	113.66	113.66	113.16	113.16	0.00	0.00
12	N.P.U.C. (PC)	98,449	0	84	656.33	656.33	656.33	656.33	656.33	4,266.12
	Total	1,107,832			12,267.75	11,936.36	82,567.82	9,149.44	8,430.76	4,266.12

CL. 12 2% per quarter for 72 mo. (24 quarters - 48%) and 13.0% per quarter for 4 quarters (52%).
 Plan date: September 6, 2019 Est. PCD 10/10/19. Est. PED 11/10/19. "PC" means proof of claim.

Exhibit "C"

Shoffner mor summary

EXHIBIT "D"

Summary of Monthly Operating Reports for January to May, 2019

	January 2019	February 2019	March 2019	April 2019	May 2019
Income	21,892.00	33,954.00	28,240.00	33,576.00	23,576.00
Expenses					
Household (HH)	4,956.04	10,562.61	3,158.83	2,192.11	11,850.43
Auto (AE)	482.52	9,575.03	8,557.04	872.95	1,944.01
Insurance (I)	200.00	0	1,096.90	1,096.90	1,096.90
Professional (P)	12,000.00	0	0	5,000.00	10,000.00
Bank fees (BF)	12.45	0	0	8.00	66.15
Misc. (M)	200.00	0	0	0	1,140.00
Horse exp (HE)	4,012.99	2,422.00	3,309.44	3,292.00	7,425.78
Apt. Rent (R)	3,200.00	0	0	1,675.00	0
Utilities (U)	510.97	962.73	1,262.98	0	0
Bus. Expenses (BE)	0	2,356.44	2,826.00	318.78	705.88
Taxes	0	0	173.20	0	0
Medical	0	0	1,284.00	450.00	0
	0	0	0	0	0
Total Expenses	25,574.97	25,878.81	21,668.39	14,905.66	34,229.15
Less Reorg. and Extraordinary Expenses	<u>12,000</u>	<u>0</u>	<u>0</u>	<u>5,000.00</u>	<u>10,000</u>
Adjusted Expenses	<u>13,574.97</u>	<u>25,878.10</u>	<u>21,668.39</u>	<u>9,905.66</u>	<u>24,229.15</u>
Income	21,892.00	33,954.00	28,240.00	33,576.00	23,576.00
Adjusted Expenses	<u>13,574.97</u>	<u>25,878.10</u>	<u>21,668.39</u>	<u>9,905.66</u>	<u>24,229.15</u>
Cash Flow	8,317.03	8,166.90	6,571.61	23,703.40	(653.15)

Exhibit "D"

1199 11/30/2018 9:25 AM

Form 1040 Department of the Treasury—Internal Revenue Service (99)		2017		OMB No. 1545-0074	IRS Use Only—Do not write or staple in this space.																																																																
For the year Jan. 1–Dec. 31, 2017, or other tax year beginning				2017, ending	20																																																																
Your first name and initial CHRISTOPHER C		Last name SHOFFNER		Your social security number ██████-3819																																																																	
If a joint return, spouse's first name and initial ██████		Last name SHOFFNER		Spouse's social security number ██████-2204																																																																	
Home address (number and street). If you have a P.O. box, see instructions. 1969 MT. MORRIS ROAD				Apt. no.	Make sure the SSN(s) above and on line 8c are correct.																																																																
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). WAYNESBURG PA 15370				Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse																																																																	
Foreign country name		Foreign province/state/county		Foreign postal code																																																																	
Filing Status 1 <input type="checkbox"/> Single 2 <input checked="" type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here. 4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. 5 <input type="checkbox"/> Qualifying widow(er) (see instructions)																																																																					
Exemptions 6a <input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a b <input checked="" type="checkbox"/> Spouse c Dependents: <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>(1) First name</th> <th>Last name</th> <th>(2) Dependent's social security number</th> <th>(3) Dependent's relationship to you</th> <th>(4) <input checked="" type="checkbox"/> If child under age 17 qual. for child tax credit (see instr.)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table> If more than four dependents, see instructions and check here <input type="checkbox"/> Boxes checked on 6a and 6b: 2 No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see instructions) Dependents on 6c not entered above Add numbers on lines above: 2						(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If child under age 17 qual. for child tax credit (see instr.)																																																											
(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If child under age 17 qual. for child tax credit (see instr.)																																																																	
d Total number of exemptions claimed 2																																																																					
Income 7 Wages, salaries, tips, etc. Attach Form(s) W-2 8a Taxable interest. Attach Schedule B if required b Tax-exempt interest. Do not include on line 8a 8b 9a Ordinary dividends. Attach Schedule B if required b Qualified dividends 9b 10 Taxable refunds, credits, or offsets of state and local income taxes 11 Alimony received 12 Business income or (loss). Attach Schedule C or C-EZ 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/> 14 Other gains or (losses). Attach Form 4797 15a IRA distributions 15b Taxable amount 16a Pensions and annuities 16b Taxable amount 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 18 Farm income or (loss). Attach Schedule F 19 Unemployment compensation 20a Social security benefits 20b Taxable amount 21 Other income. List type and amount 22 Combine the amounts in the far right column for lines 7 through 21. This is your total income																																																																					
<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>7</td><td></td><td>7</td><td></td></tr> <tr><td>8a</td><td></td><td>8a</td><td></td></tr> <tr><td>9a</td><td></td><td>9a</td><td></td></tr> <tr><td>10</td><td></td><td>10</td><td></td></tr> <tr><td>11</td><td></td><td>11</td><td></td></tr> <tr><td>12</td><td></td><td>12</td><td>294,035</td></tr> <tr><td>13</td><td></td><td>13</td><td></td></tr> <tr><td>14</td><td></td><td>14</td><td></td></tr> <tr><td>15a</td><td></td><td>15b</td><td></td></tr> <tr><td>16a</td><td></td><td>16b</td><td></td></tr> <tr><td>17</td><td></td><td>17</td><td></td></tr> <tr><td>18</td><td></td><td>18</td><td>-11,924</td></tr> <tr><td>19</td><td></td><td>19</td><td></td></tr> <tr><td>20a</td><td></td><td>20b</td><td></td></tr> <tr><td>21</td><td></td><td>21</td><td></td></tr> <tr><td>22</td><td></td><td>22</td><td>282,111</td></tr> </table>						7		7		8a		8a		9a		9a		10		10		11		11		12		12	294,035	13		13		14		14		15a		15b		16a		16b		17		17		18		18	-11,924	19		19		20a		20b		21		21		22		22	282,111
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Adjusted Gross Income 23 Educator expenses 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ 25 Health savings account deduction. Attach Form 8889 26 Moving expenses. Attach Form 3903 27 Deductible part of self-employment tax. Attach Schedule SE 28 Self-employed SEP, SIMPLE, and qualified plans 29 Self-employed health insurance deduction 30 Penalty on early withdrawal of savings 31a Alimony paid b Recipient's SSN 32 IRA deduction 33 Student loan interest deduction 34 Tuition and fees. Attach Form 8917 35 Domestic production activities deduction. Attach Form 8903 36 Add lines 23 through 35 37 Subtract line 36 from line 22. This is your adjusted gross income																																																																					
<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>23</td><td></td><td>23</td><td></td></tr> <tr><td>24</td><td></td><td>24</td><td></td></tr> <tr><td>25</td><td></td><td>25</td><td></td></tr> <tr><td>26</td><td></td><td>26</td><td></td></tr> <tr><td>27</td><td></td><td>27</td><td>11,664</td></tr> <tr><td>28</td><td></td><td>28</td><td></td></tr> <tr><td>29</td><td></td><td>29</td><td></td></tr> <tr><td>30</td><td></td><td>30</td><td></td></tr> <tr><td>31a</td><td></td><td>31a</td><td></td></tr> <tr><td>32</td><td></td><td>32</td><td></td></tr> <tr><td>33</td><td></td><td>33</td><td></td></tr> <tr><td>34</td><td></td><td>34</td><td></td></tr> <tr><td>35</td><td></td><td>35</td><td></td></tr> <tr><td>36</td><td></td><td>36</td><td>11,664</td></tr> <tr><td>37</td><td></td><td>37</td><td>270,447</td></tr> </table>						23		23		24		24		25		25		26		26		27		27	11,664	28		28		29		29		30		30		31a		31a		32		32		33		33		34		34		35		35		36		36	11,664	37		37	270,447				
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First National Bank

Page 18 of 19

Statement Ending 07/01/20194140 E. State Street
Hermitage, PA 16148

CHRISTOPHER SHOFFNER

Page 1 of 6

Primary Account Number: [REDACTED] 163

ADDRESS SERVICE REQUESTEDCHRISTOPHER SHOFFNER
185 RIDGE CUP RD
NEW RINGGOLD PA 17960-9073**Managing Your Accounts**

Online

www.fnb-online.com



By Phone

1 800-555-5455



By Mail

4140 E. State Street
Hermitage, PA 16148**Summary of Accounts**

Account Type	Account Number	Balance This Statement
FREESTYLE CHECKING	[REDACTED] 163	\$24,882.03

FREESTYLE CHECKING - [REDACTED] 7163**Account Summary**

Date	Description	Amount
06/01/2019	Balance Last Statement	\$14,337.30
	1 Credit(s) This Period	\$20,000.00
	56 Debit(s) This Period	\$9,455.27
07/01/2019	Balance This Statement	\$24,882.03 ✓

Account Activity

Post Date	Description	Debits	Credits	Balance
06/01/2019	Balance Last Statement			\$14,337.30
06/03/2019	269749 PIN PUR 06/02 18:12 LOWE'S #2566 LEHIGHTON PA 001 269749 ~5200	\$398.24		\$13,939.06
06/03/2019	144687 PIN PUR 06/02 19:10 WAL-MART #2169 LEHIGHTON PA 24216901 144687 ~5411	\$189.60		\$13,749.46
06/03/2019	9505 PIN PUR 06/03 07:59 LOWE'S #2566 LEHIGHTON PA 001 009505 ~5200	\$27.52		\$13,721.94
06/04/2019	15938 PIN PUR 06/04 14:23 WAL-MART #2604 NEWTON NJ 26040006 223771 ~5310	\$120.98		\$13,600.96
06/05/2019	823267 PIN PUR 06/05 17:43 BIG LOTS STORES LEHIGHTON PA 99999999 823267 ~5310	\$124.61		\$13,476.35
06/05/2019	CHECK # 101	\$650.00		\$12,826.35
06/06/2019	81090 POS PUR 06/05 16:57 USPS.COM MOVER'S 800-238-3150 TN 10681090 081~9402	\$1.05		\$12,825.30
06/06/2019	81108 POS PUR 06/05 17:04 USPS.COM MOVER'S 800-238-3150 TN 10681108 081~9402	\$1.05		\$12,824.25
06/06/2019	602470 PIN PUR 06/05 18:31 Wal-Mart Super C LEHIGHTON PA 21690006 915640~5411	\$82.48		\$12,741.77
06/10/2019	47533 RECURRING 06/06 22:17 VZWRLSS* BILL PAY 800-9220204 CA 36711802 0475~4814	\$230.32		\$12,511.45
06/11/2019	77051 POS PUR 06/11 13:25 STARBUCKS 4PA31 SOMERSET PA 00000000 077051 ~5814	\$6.04		\$12,505.41

**Exhibit "F"**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:)	CASE NO. 19-20034 CMB
)	
CHRISTOPHER C. SHOFFNER,)	CHAPTER 11
)	
Debtor.)	

CERTIFICATE OF SERVICE

I, Gary W. Short, Esquire, do hereby certify that on September 6, 2019, a true and correct copy of the Debtor's Plan of Reorganization dated September 6, 2019, Summary of Plan, and Disclosure Statement related thereto were served by first class U.S. Mail, postage prepaid, on the parties listed below:

Office of the U. S. Trustee
Suite 970
1001 Liberty Avenue
Pittsburgh PA 15222

Christopher C. Shoffner
516 State Route 94S
Fredon NJ 07860

/s/ Gary W. Short
Gary W. Short, Esquire (PA Bar I.D. No. 36794)
Counsel for the Debtor
212 Windgap Road, Pittsburgh, PA 15237
Tele. (412) 765-0100 / Fax (412) 536-3977
E-mailgaryshortlegal@gmail.com